



**VIGILANT SOLUTIONS - SOFTWARE SERVICE PROGRAM
STATE AND LOCAL LAW ENFORCEMENT AGENCY AGREEMENT**

This Agreement is made and entered into effective March 28, 2016 (the "Effective Date") between Vigilant Solutions, Inc., a Delaware corporation ("Vigilant") and Chandler Police Department, an Originating Agency Identifier (ORI) credentialed law enforcement agency ("Agency").

A. Vigilant stores and disseminates to law enforcement agencies publicly and commercially gathered license plate recognition (LPR) data as a valued added component of the Vigilant law enforcement package of LPR equipment and/or software; and

B. Agency desires to obtain access to Vigilant's Software Service with available publicly and commercially collected LPR data via the Law Enforcement Archival Reporting Network (LEARN) server;

NOW, THEREFORE, in consideration of the mutual agreements contained herein and other good and valuable consideration, the receipt and sufficiency of which is acknowledged by the parties, the parties agree as follows:

1. Definitions.

(a) **Confidential Information.** Refers to any and all (i) rights of Vigilant associated with works of authorship, including exclusive exploitation rights, copyrights, moral rights and mask works, trademark and trade name rights and similar rights, trade secrets rights, patents, designs, algorithms and other industrial property rights, other intellectual and industrial property and proprietary rights of every kind and nature, whether arising by operation of law, by contract or license, or otherwise; and all registrations, applications, renewals, extensions, combinations, divisions or reissues of the foregoing; (ii) product specifications, data, know-how, formulae, compositions, processes, designs, sketches, photographs, graphs, drawings, samples, inventions and ideas, and past, current and planned research and development; (iii) current and planned manufacturing and distribution methods and processes, customer lists, current and anticipated customer requirements, price lists, market studies, and business plans; (iv) computer software and programs (including object code and source code), database technologies, systems, structures, architectures, processes, improvements, devices, discoveries, concepts, methods, and information of Vigilant; (v) any other information, however documented, of Vigilant that is a trade secret within the meaning of applicable state trade secret law or under other applicable law, including but not limited to the LEARN Software Service and the Commercial LPR Data; (vi) information concerning the business and affairs of Vigilant (which includes historical financial statements, financial projections and budgets, historical and projected sales, capital spending budgets and plans, the names and backgrounds of key personnel, contractors, agents, suppliers and potential suppliers, personnel training techniques and materials, and purchasing methods and techniques, however documented; and (vii) notes, analysis, compilations, studies, summaries and other material prepared by or for Vigilant containing or based, in whole or in part, upon any information included in the foregoing.

(b) **LEA.** Refers to a law enforcement agency.

(c) **LEARN Software Service.** Refers to a web based (hosted) suite of software applications consisting of analytical and investigative software located on a physical database server that also hosts LPR Data.

(d) **License Plate Recognition ("LPR").** Refers to the process of utilizing cameras, either stationary or mounted on moving vehicles, to capture and interpret images of vehicle license plates.

(e) **LPR Data.** Refers to both LEA LPR Data and Commercial LPR Data.



(f) **LEA LPR Data.** Refers to LPR data collected by LEAs and available on the LEARN Software Service — for use by other LEAs. LEA LPR Data is freely available to LEAs at no cost and is governed by the contributing LEA's retention policy.

(g) **Commercial LPR Data.** Refers to LPR data collected by private commercial sources and available on the LEARN Software Service with a paid subscription.

(h) **User.** Refers to an individual who is an agent and sworn officer of Agency and who is authorized by Agency to access the LEARN Software Service on behalf of Agency through login credentials provided by Agency.

2. Licensed Access to the LEARN Software Service.

(a) **Grant of License.** During the term of this Agreement, Vigilant grants Agency a non-exclusive, non-transferable right and license to access the LEARN Software Service for use in accordance with the terms of this Agreement.

(b) **Authorized Use.** Agency is prohibited from accessing the LEARN Software Service other than for law enforcement purposes.

(c) **Ownership of Commercial LPR Data and LEARN Software.** Except for the rights expressly granted by Vigilant to Agency under this Agreement, Vigilant retains all title and rights to the Commercial LPR Data and the LEARN Software. Nothing contained in this Agreement shall be deemed to convey to Agency or to any other party any ownership interest in or to any LPR Data or the LEARN Software.

(d) **Restrictions on Use of LEARN Software Service.** Except as expressly permitted under this Agreement, Agency agrees that it shall not, nor will it permit a User or any other party to, without the prior written consent of Vigilant, (i) copy, duplicate or grant permission to the LEARN Software Service or any part thereof; (ii) create, attempt to create, or grant permission to the source program and/or object program associated with the LEARN Software Service; (iii) decompile, disassemble or reverse engineer any software component of the LEARN Software Service for any reason, including, without limitation, to develop functionally similar computer software or services; or (iv) modify, alter or delete any of the copyright notices embedded in or affixed to the copies of any components of the LEARN Software Service. Agency shall instruct each User to comply with the preceding restrictions.

(e) **Third Party Software and Data.** If and to the extent that Vigilant incorporates the software and/or data of any third party into the LEARN Software Service, including but not limited to the LEA LPR Data, and use of such third party software and/or data is not subject to the terms of a license agreement directly between Agency and the third party licensor, the license of Agency to such third party software and/or data shall be defined and limited by the license granted to Vigilant by such third party and the license to the LEARN Software Service granted by Vigilant under this Agreement. Agency specifically acknowledges that the licensors of such third party software and/or data shall retain all ownership rights thereto, and Agency agrees that it shall not (i) decompile, disassemble or reverse engineer such third party software or otherwise use such third party software for any reason except as expressly permitted herein; (ii) reproduce the data therein for purposes other than those specifically permitted under this Agreement; or (iii) modify, alter or delete any of the copyright notices embedded in or affixed to such third party software. Agency shall instruct each User to comply with the preceding restrictions.

(f) **Non-Exclusive Licensed Access.** Agency acknowledges that the right or ability of Vigilant to license other third parties to use the LEARN Software Service is not restricted in any manner by this Agreement, and that it is Vigilant's intention to license a number of other LEAs to use the LEARN Software Service. Vigilant shall have no liability to Agency for any such action.



3. Other Matters Relating to Access to LEARN Software Service.

(a) **Accessibility.** The LEARN Software Service, LPR Data and associated analytical tools are accessible to LEAs ONLY and are accessible pursuant to one of the following two methods:

(1) **LEARN Commercial Data Subscription.** Access to the LEARN Software Service through a commercial data subscription allows for commercial data to be used at a much deeper level to include partial plate queries, geo-fence queries, and analytic reports such as common plate and possible associate analysis.

(2) **Application Programming Interface (API).** The API access method allows for integration of the LPR Data into external third-party analytic tools. The API does NOT provide ownership rights to the LPR Data, only access during the subscription period. The API is available only in conjunction with a LEARN Commercial Data Subscription.

(b) **Access to LEA LPR Data.** LEA LPR Data is provided as a service to LEAs at no additional charge.

(c) **Eligibility.** Agency shall only authorize Individuals who satisfy the eligibility requirements of "Users" to access the LEARN Software Service. Vigilant in its sole discretion may deny LEARN Software Service access to any individual based on such person's failure to satisfy such eligibility requirements.

(d) **Account Security (Agency Responsibility).**

(1) Agency shall be responsible for assigning an account administrator who in turn will be responsible for assigning to each of Agency's Users a username and password (one per user account). An unlimited number of User accounts is provided. Agency will cause the Users to maintain username and password credentials confidential and will prevent use of such username and password credentials by any unauthorized person(s). Agency shall notify Vigilant immediately if Agency believes the password of any of its Users has, or may have, been obtained or used by any unauthorized person(s). In addition, Agency must notify Vigilant immediately if Agency becomes aware of any other breach or attempted breach of the security of any of its Users' accounts.

(2) User logins are restricted to agents and sworn officers of the Agency. No User logins may be provided to agents or officers of other local, state, or Federal LEAs. LPR Data must reside within the LEARN Software Service and cannot be copied to another system, unless Agency purchases Vigilant's API.

(e) **Data Sharing.** If Agency is a generator as well as a consumer of LPR Data, Agency at its option may share its LEA LPR Data with similarly situated LEAs who contract with Vigilant to access the LEARN Software Service (for example, LEAs who share LEA LPR Data with other LEAs).

(f) **Subscriptions.** LEARN Software Service software applications and LPR Data is available to Agency and its Users on an annual subscription basis.

(g) **Available API.** Vigilant offers an API whereby Agency may load LPR Data and provide for ongoing updating of LPR Data into a third-party system of Agency's choosing (the "API"). This service is offered as an optional service and in addition to the LEARN Commercial Data Subscription.

4. Restrictions on Access to LEARN Software Service.

(a) **Non Disclosure of Confidential Information.** Agency and each User will become privy to Confidential Information during the term of this Agreement. Agency acknowledges that a large part of Vigilant's competitive advantage comes from the collection and analysis of this Confidential Information and Agency's use, except as expressly permitted under this Agreement, and disclosure of any such Confidential Information would cause irreparable damage to Vigilant.

(b) **Restrictions.** As a result of the sensitive nature of the Confidential Information, Agency agrees, except to the extent expressly permitted under this Agreement, (i) not to use or disclose, directly or indirectly, and not to permit Users to use or disclose, directly or indirectly, any LPR location information obtained through Agency's access to



the LEARN Software Service or any other Confidential Information; (ii) not to download, copy or reproduce any portion of the LPR Data and other Confidential Information; and (iii) not to sell, transfer, license for use or otherwise exploit the LPR Data and other Confidential Information in any way. Additionally, Agency agrees to take all necessary precautions to protect the Confidential Information against its unauthorized use or disclosure and exercise at least the same degree of care in safeguarding the Confidential Information as Agency would with Agency's own confidential information and to promptly advise Vigilant in writing upon learning of any unauthorized use or disclosure of the Confidential Information.

(c) **Third Party Information.** Agency recognizes that Vigilant has received, and in the future will continue to receive, from LEAs associated with Vigilant their confidential or proprietary information ("**Associated Third Party Confidential Information**"). By way of example, Associated Third Party Confidential Information includes LEA LPR Data. Agency agrees, except to the extent expressly permitted by this Agreement, (i) not to use or to disclose to any person, firm, or corporation any Associated Third Party Confidential Information, (ii) not to download, copy, or reproduce any Associated Third Party Confidential Information, and (iii) not to sell, transfer, license for use or otherwise exploit any Associated Third Party Confidential Information. Additionally, Agency agrees to take all necessary precautions to protect the Associated Third Party Confidential Information against its unauthorized use or disclosure and exercise at least the same degree of care in safeguarding the Associated Third Party Confidential Information as Agency would with Agency's own confidential information and to promptly advise Vigilant in writing upon learning of any unauthorized use or disclosure of the Associated Third Party Confidential Information.

(d) **Non-Publication.** Agency shall not create, publish, distribute, or permit any written, electronically transmitted or other form of publicity material that makes reference to the LEARN Software Service or this Agreement without first submitting the material to Vigilant and receiving written consent from Vigilant thereto. This restriction is specifically intended to ensure consistency with other media messaging.

(e) **Non-Disparagement.** Agency agrees not to use proprietary materials or information in any manner that is disparaging. This prohibition is specifically intended to preclude Agency from cooperating or otherwise agreeing to allow photographs or screenshots to be taken by any member of the media without the express consent of Vigilant. Agency also agrees not to voluntarily provide ANY information, including interviews, related to Vigilant, its products or its services to any member of the media without the express written consent of Vigilant.

(f) **Manner of Use.** Agency must use its account in a manner that demonstrates integrity, honesty, and common sense.

(g) **Survival of Restrictions and Other Related Matters.**

(1) Agency shall cause each User to comply with the provisions of this **Section 4**.

(2) Agency agrees to notify Vigilant immediately upon discovery of any unauthorized use or disclosure of Confidential Information or any other breach of this **Section 4** by Agency or any User, and Agency shall reasonably cooperate with Vigilant to regain possession of the Confidential Information, prevent its further unauthorized use, and otherwise prevent any further breaches of this **Section 4**.

(3) Agency agrees that a breach or threatened breach by Agency or a User of any covenant contained in this **Section 4** will cause irreparable damage to Vigilant and that Vigilant could not be made whole by monetary damages. Therefore, Vigilant shall have, in addition to any remedies available at law, the right to seek equitable relief to enforce this Agreement.

(4) No failure or delay by Vigilant in exercising any right, power or privilege hereunder will operate as a waiver thereof, nor will any single or partial exercise of any such right, power or privilege preclude any other or further exercise thereof.

(5) The restrictions set forth in this **Section 4** shall survive the termination of this Agreement for an indefinite period of time.



5. Term and Termination.

(a) **Term.** The Initial Term of this Agreement shall be for a term of one (1) year from the Effective Date of this Agreement. Sixty (60) days prior to the expiration of the Initial Term and each subsequent Service Period, Vigilant will provide Affiliate with an invoice for the Service Fee due for the subsequent twelve (12) month period (each such period, a "Service Period"). This Agreement will be extended for a Service Period upon Affiliate's payment of that Service Period's Service Fee, which is due 30 days prior to the expiration of the Initial Term or the existing Service Period, as the case may be. Affiliate may also pay in advance for more than one Service Period.

(b) Termination.

(1) Agency may terminate this Agreement upon thirty (30) days prior written notice to Vigilant for any reason.

(2) Vigilant may terminate this Agreement upon:

(A) a failure on the part of Agency to pay any amount due and payable to Vigilant under this Agreement within thirty (30) days following receipt of written notice from Vigilant of such failure; or

(B) a material breach of any other provision of this Agreement by Agency or any User which remains uncured for thirty (30) days following receipt of written notice from Vigilant of such material breach.

(c) **Effect of Termination.** Upon termination or expiration of this Agreement for any reason, all licensed rights granted in this Agreement will immediately cease to exist and Agency must promptly discontinue all use of the LEARN Software Service, erase all LPR Data accessed through the LEARN Software Service from its computers, including LPR Data transferred to an API, and return all copies of any related documentation and other materials.

(d) **No Refunds.** Upon termination of this Agreement for any reason whatsoever, whether by Agency or Vigilant, Agency shall not be entitled to a refund of the annual subscription fee, or any portion thereof.

6. Miscellaneous.

(a) **Notices.** Any notice under this Agreement must be written. Notices must be addressed to the recipient and either (i) hand delivered; (ii) placed in the United States mail, certified, return receipt requested; (iii) deposited with an overnight delivery service; or (iv) sent via e-mail and followed with a copy sent by overnight delivery or regular mail, to the address or e-mail address specified below. Any mailed notice is effective three (3) business days after the date of deposit with the United States Postal Service or the overnight delivery service, as applicable; all other notices are effective upon receipt. A failure of the United States Postal Service to return the certified mail receipt to the dispatcher of such notice will not affect the otherwise valid posting of notice hereunder.

Vigilant's address for all purposes under this Agreement is:

Vigilant Solutions, Inc.

Attn: Steve Cintron

2021 Las Positas Court, Suite #101

Livermore, California 94551

Telephone: 925-398-2079

E-mail: steve.cintron@vigilantsolutions.com

Agency's address for all purposes under this Agreement is:

Chandler Police Department

Attn: Sean Duggan, Chief of Police

M.S. 303, P.O. Box 4008, Chandler, AZ., 85044-4008

Telephone: (480) 782-4101

E-mail: sean.duggan@chandleraz.gov



with a copy to:

Holland, Johns & Penny, L.L.P.
Attn: Margaret E. Holland
306 West Seventh Street, Suite 500
Fort Worth, Texas 76102
Telephone: 817-335-1050
E-mail: meh@hjpllp.com

Either party may designate another address for this Agreement by giving the other party at least five (5) business days' advance notice of its address change. A party's attorney may send notices on behalf of that party, but a notice is not effective against a party if sent only to that party's attorney.

(b) Disclaimer. Vigilant makes no express or implied representations or warranties regarding Vigilant's equipment, website, online utilities or their performance, availability, functionality, other than a warranty of merchantability and fitness for the particular purpose of searching for license plate locations in the database and performing other related analytical functions. Any other implied warranties of merchantability or fitness for a particular purpose are expressly disclaimed and excluded.

(c) Limitations of Liability. VIGILANT WILL NOT BE LIABLE FOR AGENCY'S USE OF THE LPR DATA OR LEARN SOFTWARE SERVICE APPLICATIONS AND WILL NOT BE LIABLE TO AGENCY UNDER ANY CIRCUMSTANCES WITH RESPECT TO ANY SUBJECT MATTER OF THIS AGREEMENT UNDER ANY CONTRACT, NEGLIGENCE, TORT, STRICT LIABILITY OR OTHER LEGAL OR EQUITABLE THEORY FOR ANY INDIRECT, INCIDENTAL, CONSEQUENTIAL, SPECIAL OR EXEMPLARY DAMAGES (INCLUDING, WITHOUT LIMITATION, LOSS OF REVENUE OR GOODWILL OR ANTICIPATED PROFITS OR LOST OF BUSINESS). TO THE EXTENT THE FOREGOING LIMITATION OF LIABILITY IS PROHIBITED OR OTHERWISE UNENFORCEABLE VIGILANT'S CUMULATIVE LIABILITY TO AGENCY ARISING OUT OF OR RELATED TO THIS AGREEMENT SHALL NOT EXCEED \$10,000.00.

(d) Indemnification. Agency agrees to indemnify, defend and hold harmless Vigilant and its employees, representatives, agents, officers, directors, and corporate employees (each, an "Indemnified Party"), against any and all claims, suits, actions, or other proceedings brought against the Indemnified Party based on or arising from any claim (i) resulting from Agency's or a User's breach of this Agreement, (ii) that involves any vehicle owned or operated by Agency, (iii) or any employee or independent contractor hired by Agency or (iv) any and all claims based on Agency's or a User's actions or omissions. Agency will pay any and all costs, damages, and expenses, including, but not limited to, reasonable attorneys' fees and costs awarded against or otherwise incurred by the Indemnified Party in connection with or arising from any such claim, suit, action, or proceeding up to \$5,000,000. Because this \$5,000,000 limit may not exceed appropriations available at the time of the losses, and nothing in this Agreement may be construed as implying that Congress will at a later date appropriate funds sufficient to cover those losses, Agency shall administratively reserve sufficient funds to satisfy its obligations hereunder.

(e) Independent Contractor Status. Each party will at all times be deemed to be an independent contractor with respect to the subject matter of this Agreement and nothing contained in this Agreement will be deemed or construed in any manner as creating any partnership, joint venture, joint enterprise, single business enterprise, employment, agency, fiduciary or other similar relationship.

(f) Assignment of this Agreement. Agency may not assign its rights or obligations under this Agreement to any party, without the express written consent of Vigilant.

(g) No Exclusivity. Vigilant may at any time, directly or indirectly, engage in similar arrangements with other parties, including parties which may conduct operations in geographic areas in which Agency operates.



Additionally, Vigilant reserves the right to provide LPR Data to third-party entities for purposes of promotions, marketing, business development or any other commercially reasonable reason that Vigilant deems necessary and appropriate.

(h) **No Reliance.** Agency represents that it has independently evaluated this Agreement and is not relying on any representation, guarantee, or statement from Vigilant or any other party, other than as expressly set forth in this Agreement.

(i) **Governing Law; Venue.** THIS AGREEMENT IS GOVERNED BY AND INTERPRETED IN ACCORDANCE WITH THE LAWS OF THE STATE OF ARIZONA WITHOUT REGARD TO CONFLICTS-OF-LAWS PRINCIPLES. THE PARTIES HERETO CONSENT THAT VENUE OF ANY ACTION BROUGHT UNDER THIS AGREEMENT WILL BE IN MARICOPA COUNTY, ARIZONA.

(j) **Amendments.** Except as otherwise permitted by this Agreement, no amendment to this Agreement or waiver of any right or obligation created by this Agreement will be effective unless it is in writing and signed by both parties. Vigilant's waiver of any breach or default will not constitute a waiver of any other or subsequent breach or default.

(k) **Entirety.** This Agreement and the Agency's purchase order, setting forth Vigilant's LEARN Software Service being purchased by Agency pursuant to this Agreement and the related product code and subscription price, represent the entire agreement between the parties and supersede all prior agreements and communications, oral or written between the parties. Except to the limited extent expressly provided in this Section 6(k), no contrary or additional terms contained in any purchase order or other communication from Agency will be a part of this Agreement.

(l) **Force Majeure.** Neither party will be liable for failure to perform or delay in performing any obligation under this Agreement if nonperformance is caused by an occurrence beyond the reasonable control of such party and without its fault or negligence such as acts of God or the public enemy, acts of the Government in either its sovereign or contractual capacity, fires, floods, epidemics, quarantine restrictions, strikes, unusually severe weather, delays of common carriers, or any other cause beyond the reasonable control of such party.

(m) **Severability.** If any provision of this Agreement is held to be invalid, illegal or unenforceable for any reason, such invalidity, illegality or unenforceability will not affect any other provisions of this Agreement, and this Agreement will be construed as if such invalid, illegal or unenforceable provision had never been contained herein.



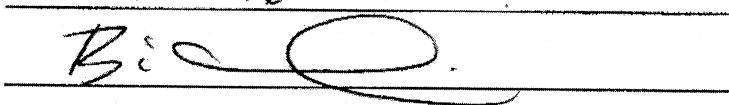
IN WITNESS WHEREOF, the parties hereto have executed this Agreement by persons duly authorized as of the date and year first above written.

Company: Vigilant Solutions, Inc.

Authorized Agent: Bill Quinlan

Title: Director, Global Sales Operations

Date: 3-29-2016

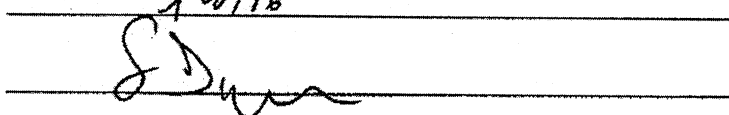
Signature: 

Agency: Chandler Police Department

Authorized Agent: Sean Duggan

Title: Chief of Police

Date: 3/28/16

Signature: 

*[signature page – LEARN Software Service
State and Local Law Enforcement Agency Agreement]*